STIPULATION OF SETTLEMENT

This Stipulation of Settlement ("Settlement Agreement") is reached by and between Plaintiff Enersain Beltran ("Plaintiff") individually and on behalf of all members of the Settlement Class (defined below), and Defendant The Roof Masters, Inc. ("Defendant Roof Masters"). Plaintiff and Defendant are referred to herein collectively as the "Parties." Plaintiff and the Settlement Class are represented by Paul K. Haines, Fletcher W. Schmidt, Matthew K. Moen, and Ian T. Mallery of Haines Law Group, APC, ("Class Counsel"). Defendant is represented by Steven W. Blake of Blake Law Firm.

On April 23, 2025, Plaintiff Beltran filed a class action complaint against Defendant The Roof Masters, Inc. in the San Diego County Superior Court titled *Enersain Beltran v. The Roof Masters, Inc.,* Case No. 25CU021086C (the "Action"). The Action alleges that Defendant The Roof Masters, Inc.: (1) failed to pay all overtime wages; (2) failed to pay all minimum wages (3) failed to provide all meal periods; (4) failed to authorize and permit all rest periods; (5) failed to reimburse necessary business expenditures (6) failed to provide accurate itemized wage statements; and (7) violated California's Unfair Competition Law. On June 30, 2025, Plaintiff filed the operative First Amended Complaint ("FAC") in the Action in order to add an allegation for civil penalties under California's Private Attorneys General Act ("PAGA"), Labor Code § 2698, et seq.

Given the uncertainty of litigation, and without Defendant making any admission as to the merits of any of the claims asserted, Plaintiff and Defendant wish to settle both individually and on behalf of the Settlement Class. Accordingly, Plaintiff and Defendant agree as follows:

1. **Settlement Class.** For the purposes of this Settlement Agreement only, Plaintiff and Defendant stipulate to the certification of the following Settlement Class (or "Class Members"):

> All current and former non-exempt employees who worked for Defendant in California between April 23, 2021 and the date of preliminary approval (the "Class Period").

The Parties agree that certification for purposes of settlement is not an admission that class certification is proper under Code of Civil Procedure § 382. If for any reason this Settlement Agreement is not approved or is terminated, in whole or in part, this conditional agreement to class certification will be inadmissible and will have no effect in this matter or in any claims brought on the same or similar allegations, and the Parties shall revert to the respective positions they held prior to entering into the Settlement Agreement.

2. **PAGA Aggrieved Employees**. For the purposes of this Settlement Agreement only, Plaintiff and Defendant stipulate that the Aggrieved Employees shall be defined as:

> All current and former nonexempt hourly employees employed by Defendant in California from April 23, 2024 through the date of preliminary approval (the "PAGA Period").

3. **Release by Class Members, Aggrieved Employees, and Plaintiff**. Plaintiff and every Class Member (except those who opt out of the Settlement) will release and discharge Defendant and all of its present and former parent companies, subsidiaries, divisions, related or affiliated companies, shareholders, officers, directors, employees, agents, attorneys, insurers, successors and assigns (the "Released Parties") from liability for all claims as follows:

A. All Class Members who do not opt-out ("Participating Class Members") will release and discharge Defendant and the Released Parties from based on the factual allegations set forth in the operative complaint in the Action or Plaintiff's PAGA Notice to the LWDA, or which could have been pled in the operative complaint in the Action based on the factual allegations therein, that arose during the Class Period (the "Released Claims"). The time period governing the Released Class Claims shall be the Class Period. This release will become effective on the Effective Date (as defined in Section 3.D).

B. All Aggrieved Employees, regardless of whether they opt-out of the class action portion of the Settlement, will release and discharge Defendant and the Released Parties from the PAGA claims that Plaintiff alleged against Defendant based on the facts stated in his LWDA notice letter ("PAGA Notice") dated April 23, 2025 for civil penalties recoverable under the PAGA based on the facts or claims alleged in the PAGA Notice and FAC ("Released PAGA Claims"). The Released PAGA Claims do not release any Aggrieved Employees' claims for wages or statutory penalties. The time period governing the Released PAGA Claims shall be the PAGA Period. This release will become effective on the Effective Date (as defined in Section 3.D).

C. Plaintiff agrees to release, as individuals and in addition to the Released Class Claims and Released PAGA Claims described above, all claims, whether known or unknown, under federal law or state law against Defendant. Plaintiff understands that this release includes unknown claims and that Plaintiff is, as a result, waiving all rights and benefits afforded by Section 1542 of the California Civil Code, which provides:

> **A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release and that, if known by him or her, would have materially affected his or her settlement with the debtor or released party.**

Nothing contained herein shall constitute a release of any rights or claims that cannot be waived as a matter of law (including but not limited to claims arising under workers' compensation laws). Nor shall anything contained herein be construed to exclude the filing of an administrative charge or complaint with the Equal Employment Opportunity Commission or National Labor Relations Board, or participation in an administrative investigation or proceeding.

D. The Settlement shall become effective the later of: (a) the Court's final approval of the settlement if no objections by or on behalf of Class Members are filed; (b) the expiration of the time to appeal if an objection is filed and no appeal is filed or if any appeal is withdrawn; (c) the final resolution of any appeal; or (d) Defendant's deposit of the entire Maximum Settlement Amount with the Settlement Administrator ("Effective Date").

4. **Maximum Settlement Amount.** As consideration, Defendant agrees to pay a "Maximum Settlement Amount" of $900,000.00 in full and complete settlement of the Action, as follows:

A. The Parties have agreed to engage Apex Class Action Administration as the "Settlement Administrator" to administer this Settlement.

B. Defendant shall pay the Maximum Settlement Amount and the employer's-share of payroll taxes on the portion allocated as wages within sixty (60) calendar days after the Court signs an Order granting final approval of the Settlement, but in no event sooner than October 6, 2027.

C. This is a non-reversionary settlement. The Maximum Settlement Amount includes:

(1) All payments (including interest) to the Class Members;

(2) All costs of the Settlement Administrator associated with the administration of the Settlement, which are not to exceed $7,490.00;

(3) Up to $10,000.00 for Plaintiff's Class Representative Service Award in recognition for Plaintiff's respective contributions to the Action and service to the Class Members;

(4) Up to thirty-five percent (35%) of the Maximum Settlement Amount in Class Counsel's attorneys' fees (currently estimated at $315,000.00) plus actual costs and expenses incurred by Class Counsel related to the Action as supported by declaration, to be no greater than $20,000.00; and

(5) $50,000.00 of the Maximum Settlement Amount has been set aside by the Parties as PAGA civil penalties. Per Labor Code § 2699(i), 65% of such penalties ($32,500.00), will be payable to the LWDA and the remaining 35% ($17,500.00), will be payable to the Aggrieved Employees as described below.

D. Defendant will not oppose the reasonableness of these requests. Any reduction by the Court of these requests will revert to the Net Settlement Amount to be distributed to Participating Class Members.

E. **Escalator Clause.** Defendant has represented that there are an estimated 17,638 aggregate workweeks worked by the approximately 307 Class Members during the Class Period. If the actual number of workweeks worked during the Class Period exceeds this figure by 10% or more (i.e., if there are 19,402 or more workweeks

worked during the Class Period), Defendant shall have the option to either: (a) end the Class Period and PAGA Period on the date when the workweeks reached 19,401; or (b) increase the Maximum Settlement Amount on a proportional basis (i.e., if there was a 12% increase in the number of aggregate workweeks, Defendant shall increase the Maximum Settlement Amount by 12%). Defendant shall make its decision whether to elect to increase the Maximum Settlement Amount or to end the Class Period and PAGA Period prior to the hearing date on Plaintiff's Motion for Preliminary Approval.

F. **Employer Payroll Taxes.** The Maximum Settlement Amount does not include the employer's share of payroll taxes on any amounts designated as wages, which shall be paid by Defendant separate and apart from, and in addition to, the Maximum Settlement Amount.

5. **Payments to the Class Members.** Class Members are not required to submit a claim form to receive a payment ("Individual Class Payment") from the Settlement. Individual Class Payments will be determined and paid as follows:

A. The Settlement Administrator will first deduct from the Maximum Settlement Amount the amounts approved by the Court for Class Counsel's attorneys' fees, Class Counsel's costs and expenses, the Class Representative Service Award, the Settlement Administrator's fees and expenses for administration, and the amount of PAGA civil penalties designated as payable to the LWDA. The remaining amount shall be known as the "Net Settlement Amount."

B. The Settlement Administrator will then calculate each Individual Class Payment and Individual PAGA Payment based on the following formula:

i. Aggrieved Employees' Individual PAGA Payments: The $17,500.00 payable to Aggrieved Employees as PAGA civil penalties shall be designated as the "Individual PAGA Payment." Each individual who was employed by Defendant at any time during the PAGA Period, regardless of whether they opt-out of the Class Portion of the settlement, will receive their Individual PAGA Payment based on the number of pay periods that he or she worked during the PAGA Period compared to the total number of pay periods worked by all Aggrieved Employees during the PAGA Period.

ii. The Net Settlement Amount will be distributed to each Participating Class Member based on the number of workweeks that he or she worked during the Class Period compared to the total number of workweeks worked by all Participating Class Members during the Class Period.

C. Within 10 business days following the Effective Date, the Settlement Administrator will calculate each Participating Class Member's Individual Class Payment along with Individual PAGA Payments and will prepare and mail these payments to Participating Class Members and Aggrieved Employees. The Settlement Administrator will also mail any amounts awarded to Plaintiff for the Class

Representative Service Award, as well as the amounts awarded to Class Counsel for attorneys' fees and costs by the same deadline. Should any issued settlement checks be returned to the Settlement Administrator as non-delivered, the Settlement Administrator shall conduct a "skip trace" to obtain an updated mailing address, and shall re-mail the settlement checks to the updated mailing addresses within five (5) business days of receiving the returned settlement check.

D. Each Individual Class Payment shall be allocated as 20% wages and 80% penalties and interest. The Settlement Administrator will be responsible for issuing to Participating Class Members an IRS Form W-2 (for amounts paid as wages) and an IRS Form 1099 (for amounts paid as penalties and interest). Payments made to Aggrieved Employees for their portion of the Individual PAGA Payments will be attributed 100% to penalties and paid via an IRS Form 1099. The Settlement Administrator will be responsible for issuing Participating Class Members an IRS Form W-2 for amounts paid as wages, and an IRS Form 1099 for amounts paid as penalties and interest. Participating Class Members will be responsible for their share of the employee-side payroll taxes for the portion of Individual Class Payments allocated as unpaid wages, which shall be deducted from their Individual Class Payments.

E. Defendant will fully discharge their payment obligations to Participating Class Members and Aggrieved Employees when the Settlement Administrator mails Settlement checks for each Individual Class Payment and any applicable Individual PAGA Payment. Discharge is effective upon mailing, whether or not a check is received or negotiated. Any check that is not negotiated within one hundred eighty (180) days of mailing will be distributed by the Settlement Administrator to the Parties' mutually agreed *cy pres* designee, Legal Aid at Work.

F. Neither Plaintiff nor Defendant will bear any liability for lost, stolen, undelivered or misdelivered checks, forged signatures on checks, or unauthorized negotiation of checks. Unless responsible by its own acts of omission or commission, the same is true for the Settlement Administrator.

6. **Attorneys' Fees and Costs.** Defendant will not object to Class Counsel's request for a total award of attorneys' fees of up to thirty-five percent (35%) of the Maximum Settlement Amount, which is currently estimated to be $315,000.00. Additionally, Class Counsel will request an award of actual costs and expenses as supported by declaration, in an amount not to exceed $20,000.00 from the Maximum Settlement Amount. These amounts will cover any and all work performed and any and all costs incurred in connection with this litigation, including without limitation: all work performed, and all costs incurred to date; and all work to be performed and costs to be incurred in connection with obtaining the Court's approval of this Settlement Agreement, including any objections raised and any appeals necessitated by those objections. Any reduction by the Court of these requests will revert to the Net Settlement Amount to be distributed to the Participating Class Members. Class Counsel will be issued an IRS Form 1099 by the Settlement Administrator for these amounts.

7. **Class Representative Service Award.** Defendant will not object to a request for a Class Representative Service Award of $10,000.00 for Plaintiff's time and risk in prosecuting this case and Plaintiff's service to the Class Members. Any reduction by the Court of this request will revert to the Net Settlement Amount to be distributed to the Participating Class Members. This award will be in addition to Plaintiff's Individual Class Payment as a Class Member, and will be reported on an IRS Form 1099 issued by the Settlement Administrator.

8. **Settlement Administrator.** Defendant agrees to the appointment of Apex Class Action Administration as the Settlement Administrator. Defendant will not object to Plaintiff seeking approval to pay up to $17,490.00 for the administration services from the Maximum Settlement Amount. The Settlement Administrator shall be responsible for translating and sending notices to the Class Members and Aggrieved Employees in English and Spanish, for calculating Individual Class Payments and Individual PAGA Payments, and for preparing all checks and mailings. The Settlement Administrator shall also be responsible for maintaining a website and posting important documents from the case for the Class Members, including copies of the operative FAC, Plaintiff's PAGA Notice to the LWDA, this Settlement Agreement and any amendments, the Notice Packet, the Court's Order Granting Preliminary Approval, and the Court's Final Judgment and Order. Any reduction by the Court of this request will revert to the Net Settlement Amount to be distributed to Participating Class Members. The Settlement Administrator shall be authorized to pay itself from the Maximum Settlement Amount only after settlement checks have been mailed to all Class Members and Aggrieved Employees.

9. **Preliminary Approval.** Plaintiff will apply to the Court for the entry of an Order:

A. Conditionally certifying the Settlement Class for settlement purposes only;

B. Appointing Paul K. Haines, Fletcher W. Schmidt, Matthew K. Moen, and Ian T. Mallery of Haines Law Group, APC as Class Counsel;

C. Appointing Plaintiff Enersain Beltran as Class Representative for the Settlement Class;

D. Approving Apex Class Action Administration as Settlement Administrator;

E. Preliminarily approving this Settlement Agreement and its terms as fair, reasonable, and adequate;

F. Approving the form and content of the Notice Packet (which is comprised of the Notice of Class Action and PAGA Settlement ("Class Notice"), Notice of Individual Class Payment, Request for Exclusion Form, and Objection Form), and which counsel for all Parties shall mutually agree upon before submitting to the Court, and directing the mailing of same; and

G. Scheduling a Final Approval hearing.

10. **Notice to Class Members.** Following preliminary approval, the Class Members will be notified as follows:

A. Within fourteen (14) days of the Court signing an order preliminarily approving this Settlement, Defendant will provide the Settlement Administrator with the names, addresses, phone numbers, social security numbers, and workweek and pay period information for each Class Member and Aggrieved Employee during the Class Period and PAGA Period.

A. Within ten (10) business days from receipt of this information, the Settlement Administrator shall (i) run the names of all Class Members through the National Change of Address ("NCOA") database to determine any updated addresses for Class Members; (ii) update the address of any Class Member for whom an updated address was found through the NCOA search; (iii) calculate the estimated Individual Class Payment for each Class Member and the estimated Individual PAGA Payment for each Aggrieved Employee; and (iv) mail a Notice Packet in English and Spanish to each Class Member and Aggrieved Employee at his or her last known address or at the updated address found through the NCOA search, and retain proof of mailing.

B. Any Notice Packets returned to the Settlement Administrator as non-delivered on or before the Response Deadline shall be re-mailed to the forwarding address affixed thereto. If no forwarding address is provided, the Settlement Administrator shall make reasonable efforts, including utilizing a "skip trace," to obtain an updated mailing address within 5 business days of receiving the returned Notice Packet. If an updated mailing address is identified, the Settlement Administrator shall resend the Notice Packet to the Class Member immediately, and in any event within 5 business days of obtaining the updated address. The address identified by the Settlement Administrator as the current mailing address shall be presumed to be the best mailing address for each Class Member. Class Members to whom Notice Packets are re-mailed after having been returned as undeliverable to the Settlement Administrator shall have an additional 14 calendar days after the Response Deadline to opt-out, object, or dispute their Settlement Payment. Notice Packets that are re-mailed shall inform the recipient of this adjusted deadline.

C. Requests for Exclusion. Request for Exclusion Forms will be mailed to all Class Members in the Notice Packets. Any Class Member who wishes to opt-out of the Settlement must complete and mail a Request for Exclusion Form to the Settlement Administrator within 60 calendar days of the date of the initial mailing of the Notice Packets (the "Response Deadline").

i. The Notice Packet shall state that Class Members who wish to exclude themselves from the Settlement must submit a Request for Exclusion Form by the Response Deadline. The Request for Exclusion Form must: (1) contain the name, address, telephone number and the last four digits of the Social Security number of the Class Member; (2) contain a statement that the Class Member wishes to be excluded from the class action portion of the Settlement; (3) be signed by the Class Member; and (4) be postmarked by the Response Deadline and mailed to the Settlement Administrator at the address specified in the Class Notice. If the Request for Exclusion does not contain the information listed in

(1)-(3), it will not be deemed valid for exclusion from the Settlement, except a Request for Exclusion not containing a Class Member's telephone number and/or last four digits of the Social Security number will be deemed valid. The date of the postmark on the Request for Exclusion shall be the exclusive means used to determine whether a Request for Exclusion has been timely submitted. Any Class Member who requests to be excluded from the Settlement Class will not be entitled to any recovery under this Settlement Agreement and will not be bound by the terms of the Settlement or have any right to object, appeal or comment thereon.

ii. Aggrieved Employees may not opt-out of the release of the Released PAGA Claims (as described in Paragraph 3.B.) and will receive their Individual PAGA Payments even if they request exclusion from the class action portion of the Settlement and do not receive a class portion of their Individual Class Payment.

iii. At no time will the Parties or their counsel seek to solicit or otherwise encourage any Class Member to object to the Settlement or opt-out of the Settlement Class or encourage any Class Member to appeal from the final judgment.

D. Objections. Participating Class Members may object to this Settlement Agreement as explained in the Class Notice by filing a written objection (or submitting an Objection Form) with the Settlement Administrator (who shall serve all objections as received on Class Counsel and Defendant's counsel) within the Response Deadline. Following the Response Deadline, Class Counsel shall be responsible for filing a single packet of all objections with the Court. Any such written objections must contain the Class Member's name, address, and last four digits of his or her social security number. The objection must also be signed by the Class Member. Defendant's counsel and Class Counsel shall file any responses to objections no later than the deadline to file the Motion for Final Approval. To be valid, any objection must be postmarked no later than the Response Deadline. Any Class Member who wishes to may appear in person or through their own counsel and raise an objection at the Final Approval Hearing. Class Members need not submit written objections to be heard by the Court at the Final Approval Hearing.

E. Notice of Individual Class Payment / Disputes. Each Notice Packet mailed to a Class Member will disclose the amount of the Class Member's estimated Individual Class Payment and anticipated share of the Individual PAGA Payment, as well as all of the information that was used to calculate the Individual Class Payment and the Individual PAGA Payment. Class Members will have the opportunity, should they disagree with Defendant's records regarding the information stated in the Notice Packet, to provide documentation and/or an explanation to show contrary information. Dispute Forms will be mailed to all Class Members in the Notice Packets. Any such dispute, including any supporting documentation, must be mailed to the Settlement Administrator and postmarked by the Response Deadline. If there is a dispute, the Settlement Administrator will consult with the Parties to determine whether an adjustment is warranted. The Settlement Administrator shall make an initial determination regarding the eligibility for, and the amounts of, any

Individual Class Payment under the terms of this Settlement Agreement. However, if the Settlement Administrator and the Parties cannot agree on a resolution, the Parties will request the Court make a final determination regarding the dispute. Additionally, the Parties will file with the Court all disputes submitted by Class Members, the evidence submitted, and the resolution of the disputes, and although the Settlement Administrator may make the initial decision regarding claim disputes, the Court may review any decision made by the Settlement Administrator regarding a claim dispute.

F. Defendant understands its legal obligation not to retaliate against the Class Members for their participation and/or election to participate in the benefits to be afforded any of them by the Settlement and/or the Action.

11. **Final Approval.** Following preliminary approval and the close of the period for filing requests for exclusion, objections, or disputes under this Settlement Agreement, Plaintiff will apply to the Court for entry of an Order:

A. Granting final approval to the Settlement Agreement and adjudging its terms to be fair, reasonable, and adequate;

B. Approving Plaintiff's and Class Counsel's application for attorneys' fees and costs, Class Representative Service Award, settlement administration costs, and payment to the LWDA for its share of civil penalties under PAGA; and

C. Entering judgment pursuant to California Rule of Court 3.769. A notice of the Court's Final Judgment and Order will be posted on the Settlement Administrator's website for at least thirty (30) days from the date of Final Judgment for the Class Members, in compliance with CRC Rule 3.771(b).

12. **Non-Admission of Liability.** Nothing in this Settlement Agreement shall operate or be construed as an admission of any liability or that class certification is appropriate in any context other than this Settlement. Each of the Parties has entered into this Settlement Agreement to avoid the burden and expense of further litigation. Pursuant to California Evidence Code § 1152, this Settlement Agreement is inadmissible in any proceeding, except a proceeding to approve, interpret, or enforce this Settlement Agreement. If the Effective Date does not occur or Defendant fails to fully fund the Settlement, the Parties agree that this Settlement Agreement is void, but remains protected by California Evidence Code § 1152.

13. **Waiver and Amendment.** The Parties may not waive, amend, or modify any provision of this Settlement Agreement except by a written agreement signed by all of the Parties or their counsel, and subject to any necessary Court approval. A waiver or amendment of any provision of this Settlement Agreement will not constitute a waiver of any other provision.

14. **Confidentiality.** The Parties and their counsel will keep the Settlement, the Settlement-related documents, and their Settlement negotiations confidential, and will not disclose that information to any third party through the date of preliminary approval. Thereafter, the Parties agree to make no comments to the media or otherwise publicize the terms of the Settlement.

15. **Notices.** All notices, demands, and other communications to be provided concerning this Settlement Agreement shall be in writing and delivered by receipted delivery and by e-mail at the addresses set forth below, or such other addresses as either Party may designate in writing from time to time:

if to Plaintiff: Fletcher W. Schmidt of Haines Law Group, APC
2155 Campus Drive, Suite 180, El Segundo, CA 90245
fschmidt@haineslawgroup.com

if to Defendant: Steven W. Blake of Blake Law Firm
533 2nd Street, #250 Encinitas, CA 92024
steve@blakelawca.com

16. **Entire Agreement.** This Settlement Agreement contains the entire agreement between the Parties with respect to the transactions contemplated hereby, and supersedes all negotiations, presentations, warranties, commitments, offers, contracts, and writings prior to the date hereof relating to the subject matters hereof.

17. **Counterparts.** This Settlement Agreement may be executed by one or more of the Parties on any number of separate counterparts and delivered electronically, and all of said counterparts taken together shall be deemed to constitute one and the same instrument.

18. **Enforcement Action**. In the event that one more of the Parties institutes any legal action or other proceeding against any other Party or Parties to enforce the provisions of this Settlement Agreement or to declare rights and/or obligations under this Settlement Agreement, the successful Party or Parties will be entitled to recover from the unsuccessful Party or Parties reasonable attorneys' fees and costs, including expert witness fees incurred in connection with any enforcement actions.

19. **Continuing Jurisdiction.** The Parties stipulate that, pursuant to California Code of Civil Procedure § 664.6 and California Rules of Court Rule 3.769, the San Diego County Superior Court will retain jurisdiction over the Parties to enforce this Settlement Agreement until full performance of the terms of the settlement has been completed.

IN WITNESS THEREOF, the Parties to this Settlement Agreement each acknowledge that they have read the foregoing Settlement Agreement, accept and agree to the provisions contained herein, and hereby execute it voluntarily and with full understanding of its consequences.

DATED:

THE ROOF MASTERS, INC.

By: Rosa Oceguera
Name: Rosa Oceguera
Title: CFO

DATED: Sep 27, 2026

PLAINTIFF ENERSAIN BELTRAN

By: Enersain Beltran (Sep 27, 2026 18:05:59 PDT)
Plaintiff and Settlement Class Representative

APPROVED AS TO FORM:

DATED: Sep 27, 2026

HAINES LAW GROUP, APC

By:
Paul K. Haines
Fletcher W. Schmidt
Matthew K. Moen
Ian T. Mallery
Attorneys for Plaintiff

DATED: October 7, 2026

BLAKE LAW FIRM

By:
Steven W. Blake
Attorneys for Defendant